

BEFORE THE  
STATE OF TENNESSEE  
REGULATORY AUTHORITY

01 NOV 9 11 2 42

Petition for Authority to Transfer  
Control of Enhanced Communications  
Network, Inc. to Pacific Telecom, Inc.

) OFFICE OF THE  
EXECUTIVE SECRETARY  
)

Docket No.

01-00986

To the Regulatory Authority:

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PETITION FOR AUTHORITY TO TRANSFER CONTROL

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Enhanced Communications Network, Inc. ("ECN") by its attorneys, hereby respectfully requests, pursuant to Tennessee Code Annotated Section 654112, that the Tennessee Regulatory Authority ("TRA") *immediately* approve the transfer of control of ECN from its current shareholders to Pacific Telecom, Inc. ("PTI") through the sale of ECN's stock. ECN is currently certified to provide intrastate telecommunication services in Tennessee.<sup>1</sup> The Petitioner requests expedited treatment of this petition in order to permit the consummation of the transaction without undue delay.

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<sup>1</sup>

ECN was authorized by the Tennessee Regulatory Authority to provide intrastate telecommunication services as a reseller effective June 8, 1999.

**THE PARTIES**

1. PTI, a Delaware corporation, is an international facilities-based carrier, providing wholesale and retail voice and data services worldwide.<sup>2</sup> The principal office of PTI is located at:

1031 South Glendora Avenue  
West Covina, CA 91790

2. ECN is currently authorized as a reseller of intrastate interexchange telecommunication services in 33 states. ECN's address and phone number will be as follows:

1031 South Glendora Avenue  
West Covina, CA 91790  
(626) 445-6636

3. Questions about this application should be directed to Patrick D. Crocker:

Patrick D. Crocker  
Early, Lennon, Crocker & Bartosiewicz, P.L.C.  
900 Comerica Building  
Kalamazoo, MI 49007  
(616) 381-8844  
(616) 349-8525 (facsimile)

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<sup>2</sup> A copy of Pacific Telecom, Inc.'s Articles of Incorporation is attached as **Exhibit A.**

**TRANSFER OF CONTROL**

4. On May 31, 2001, PTI and the shareholders of ECN entered into a Stock Purchase Agreement (the "Agreement") whereby PTI will acquire 100 percent of the issued and outstanding capital stock of ECN. A copy of the Agreement is attached hereto and incorporated by reference as **Exhibit B**.

**QUALIFICATIONS OF TRANSFEREE**

5. PTI is financially qualified to acquire control of ECN and its business. A copy of PTI's most recent financial statements is attached as **Exhibit C**.

6. Under new ownership, ECN will be led by a highly qualified team of management personnel. **Exhibit D** contains a brief biographical statement of these individuals.

**PUBLIC INTEREST**

7. The transfer of control of ECN from its current shareholder to PTI is in the public interest. The addition of ECN to PTI's other interests will enhance both PTI and ECN's ability to compete in the market for telecommunications services in Tennessee and elsewhere. The Petitioners will benefit from increased economies of scale that will permit them to operate more efficiently and thus to compete more effectively.

8. In addition, ECN will have access to the financial resources it needs to introduce new products and services and to respond to competition in the competitive telecommunications environment in Tennessee. Over time, consumers in Tennessee will benefit from a greater number of products and service options, as well as lower prices offered by the Petitioners.

ENHANCED COMMUNICATIONS NETWORK, INC. / PACIFIC TELECOM, INC.  
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**WHEREFORE**, ECN respectfully requests that the Commission *immediately* authorize the transfer of control of ECN from its current shareholders to PTI so that the transaction may proceed without undue delay.

Respectfully submitted,

**EARLY, LENNON, CROCKER & BARTOSIEWICZ,  
P.L.C.**

By: \_\_\_\_\_

Patrick D. Crocker

**EARLY, LENNON, CROCKER &  
BARTOSIEWICZ, P.L.C**

Attorneys for Enhanced Communications Network,  
Inc. and Pacific Telecom, Inc.

ENHANCED COMMUNICATIONS NETWORK, INC. / PACIFIC TELECOM, INC.  
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**EXHIBIT A**

**Pacific Telecom Inc.  
Articles of Incorporation**

STATE OF DELAWARE  
SECRETARY OF STATE  
DIVISION OF CORPORATIONS  
FILED 09:00 AM 05/25/2001  
010252840 - 3396637

### CERTIFICATE OF INCORPORATION

The undersigned, in order to form a corporation for the purposes hereinafter stated, under and pursuant to the provisions of the General Corporation Law of the State of Delaware, does hereby certify as follows:

I. The corporate name is PACIFIC TELECOM, INC.

II. The address of the registered office of the corporation in the State of Delaware is 11<sup>th</sup> Floor, Rodney Square North, 11<sup>th</sup> and Market Streets, Wilmington, New Castle County, Delaware 19801.

The registered agent in charge thereof is CORPORATION GUARANTEE AND TRUST COMPANY.

III. The purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

IV. The amount of the total authorized capital stock of this corporation is 1,000 shares without par value.

V. The Board of Directors is authorized and empowered to adopt, amend and repeal the By-Laws of the corporation.

VI. The name and address of each incorporator is as follows:

Name	Address
Teresa Magee	Two Greenwood Square, Suite 110 3331 Street Road Bensalem, PA 19020-2052

VII. To the fullest extent permitted by the Delaware General Corporation Law a director of this corporation shall not be liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 22<sup>nd</sup> day of May, 2001.

  
Teresa Magee, Incorporator

ENHANCED COMMUNICATIONS NETWORK, INC. / PACIFIC TELECOM, INC.  
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**EXHIBIT B**

**Stock Purchase Agreement**

## STOCK PURCHASE AGREEMENT

THIS STOCK PURCHASE AGREEMENT, executed this 31 day of May, 2001, by CHRISTOPHER RICCA, ("Seller") and PACIFIC TELECOM, INC, (hereinafter "Purchaser"), is made in consideration of the mutual covenants and agreements herein contained, and provides as follows:

1. STOCK PURCHASE. In consideration of the sum of \$45,000.00 paid by Purchaser to or for the benefit of Seller, receipt whereof is hereby acknowledged, Seller hereby sells and assigns all Seller's right, title and interest in and to all the issued and unissued authorized shares of the capital stock of Enhanced Communications Network, Inc., a Delaware corporation ("Corporation"), to Purchaser, to have and to hold said shares free and clear of any claim by Seller or Seller's creditors.

2. SELLER'S REPRESENTATIONS AND WARRANTIES. Seller represents and warrants to Purchaser as follows:

(a) Seller is the only subscriber to or shareholder of the shares of the capital stock of the Corporation.

(b) Seller has not pledged the shares and the shares are not subject to any claims of any creditors of the Seller.

(c) The Corporation has never conducted business and has never incurred any obligations except to \_\_\_\_\_

(d) The Corporation has never had any employees nor has it incurred any local, state or federal tax liabilities or any liability for Universal Service Fund fees.

(e) The Corporation and Seller have not made any election to be taxed in any fashion other than as a corporation.

(f) The Corporation is in good standing in the State of Delaware and all other jurisdictions it is admitted to do business and all franchise fees are paid. The states in



which the Corporation is authorized to do business as a foreign corporation are set forth in Schedule 1.

(g) The primary business the Corporation was organized to conduct is the provision of long distance telecommunications services. All license numbers issued to the Corporation by any Governmental Authority are set forth on Schedule 2 and the Corporation has complied in all respects with all applicable laws, rules, regulations and orders and has and maintains all permits, licenses, certifications, authorizations, registrations, approvals and consents of all requisite governmental authorities in order to authorize the Corporation to provide domestic and international long distance telecommunications services.

(h) There is no court order, judgment, writ, pending or threatened actions, suit or proceeding against or affecting Seller or the Corporation, its officers or directors, or the property of Seller, in any court or tribunal, or before any arbitrator of any kind or by any unit of government, which might adversely affect the Seller or the Corporation, or which might limit in any manner the right of the Corporation to freely transact its domestic and international long distance telecommunications business.

3. INDEMNITY. Seller hereby indemnifies and holds harmless Purchaser, its successors and assigns, from and against any and all damages or claims, including reasonable attorneys' fees and costs, which arise by reason of any breach of this Agreement by Seller including without limitation any claim or loss because of any violations of Seller's Representations and Warranties.

4. NOTICES. Any Notices desired to be given in connection with this Agreement shall be in writing and effective when delivered. Notices shall be delivered personally, by overnight courier, by certified mail or by facsimile to the address or facsimile number set forth below the signatures of the parties.

5. CLOSING. The closing of this transaction shall be held at such time as the

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Purchaser shall have obtained the necessary state and federal regulatory approvals for the change of ownership and control of the Corporation. A pre-closing of this transaction shall take place on or before May 11, 2001. Purchaser is not obligated to pre-close or close this transaction until it has had adequate opportunity to conduct the due diligence investigation after Seller has delivered copies of all the books and records of the Corporation, copies of all orders and licenses authorizing the Corporation to provide domestic and international long distance communications services, copies of all reports and returns filed by the Corporation with any governmental authorities, and, a copy of the stock certificates of Seller together with the proposed stock power transferring the stock to Purchaser. At the pre-closing the Purchaser shall deliver the sum of \$45,000 to Early, Lennon, Crocker & Bartosiewicz. Seller shall deliver the stock certificates with the stock power duly executed. When Early, Lennon, Crocker & Bartosiewicz has received the pre-closing payment and the stock certificates with stock power duly executed, Early, Lennon, Crocker & Bartosiewicz shall disburse the pre-closing payment as follows: the sum of \$40,500 to Seller and the sum of \$4,500 to J. G. Core Group as its fee for bringing the parties together. Early, Lennon, Crocker & Bartosiewicz shall simultaneously deliver the stock certificates and executed stock power to Purchaser. The payment of the purchase price and the delivery of the stock certificate and executed stock power are considered by the parties to be contingent upon the actual closing of the transaction as set forth above.

6. INTERIM OPERATIONS. The parties shall sign an Interim Operations Agreement at the pre-closing. The execution and delivery of the Interim Operations Agreement is a condition of the transaction for both parties.

7. COOPERATION. Seller agrees to cooperate fully with the Corporation in its efforts to obtain all necessary regulatory approvals for the change in ownership or control of the Corporation.

8. CHOICE of LAW. This Agreement, including all matters relating to the

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validity, construction, performance and enforcement thereof, shall be governed by the domestic law of the State of California without reference to its conflicts of law principles.

IN WITNESS WHEREOF, the parties have executed this Stock Purchase Agreement as of the date first set forth above.

Christopher Ricca  
Christopher Ricca

37 Winthrop place  
Hazlet, NJ 07730  
Business Address

732 - 888 - 4687  
Telephone

732 - 888 - 4687  
Fax Number

"Seller"

Ray Chen, President

Paucic Telecom Inc

6562 Coraloc Ave, Arcadia CA 91007  
Address

626 445 6636  
Telephone Number

626 356 7478  
Fax Number

"Purchaser"

EARLY, LENNON, CROCKER & BARTOSIEWICZ, P.L.C.

SCHEDULE 1

ENHANCED COMMUNICATIONS NETWORK, INC.

Our records indicate that the above captioned corporation has the authority to transact business in the following States:

- |                         |                    |
|-------------------------|--------------------|
| 1. Alabama              | 27. Nebraska       |
| 2. Alaska               | 28. Nevada         |
| 3. Arizona              | 29. New Hampshire  |
| 4. Arkansas             | 30. New Jersey     |
| 5. California           | 31. New Mexico     |
| 6. Colorado             | 32. New York       |
| 7. Connecticut          | 33. North Carolina |
| 8. Delaware             | 34. North Dakota   |
| 9. District of Columbia | 35. Ohio           |
| 10. Florida             | 36. Oklahoma       |
| 11. Georgia             | 37. Oregon         |
| 12. Hawaii              | 38. Pennsylvania   |
| 13. Idaho               | 39. Rhode Island   |
| 14. Illinois            | 40. South Carolina |
| 15. Indiana             | 41. South Dakota   |
| 16. Iowa                | 42. Tennessee      |
| 17. Kansas              | 43. Texas          |
| 18. Kentucky            | 44. Utah           |
| 19. Louisiana           | 45. Vermont        |
| 20. Maine               | 46. Virginia       |
| 21. Maryland            | 47. Washington     |
| 22. Massachusetts       | 48. West Virginia  |
| 23. Michigan            | 49. Wisconsin      |
| 24. Minnesota           | 50. Wyoming        |
| 25. Mississippi         | 51.                |
| 26. Missouri            |                    |

EARLY, LENNON, PETERS & CROCKER, P.L.C.

SCHEDULE 2

ENHANCED COMMUNICATIONS NETWORK, INC.

The above captioned corporation has the authority to resell intrastate telecommunications service in the following States:

Arizona	Docket # T-03647A-98-0629
Arkansas	Docket # 98-302-U, Order #2
California	Application # 99-04-018
Colorado	n/a
Connecticut	Docket # 99-04-27
Delaware	Docket # 99-173
Florida	Docket # 981310-TI
Georgia	Docket # 10226-U
Idaho	n/a
Illinois	Docket # 98-0671
Indiana	CTA #9809-1
Iowa	n/a
Kansas	Docket # 99-ECNC-303-COC
Kentucky	Docket # T59-1065
Louisiana	Docket # S-24117
Maine	Docket # 98-876
Massachusetts	n/a
Michigan	n/a
Minnesota	Docket # P5776/NA-99-523
Mississippi	Docket # 99-UA-0249
Missouri	Case # TA-99-253
Montana	n/a
Nevada	Docket #98-9034
New Hampshire	n/a
New Jersey	n/a
New York	Docket # 98-C-1476
North Carolina	Docket # P-807
North Dakota	Case # PU-1962-98-474
Ohio	Docket # 98-1518-CT-ACE
Oklahoma	Cause #980000655
Oregon	Order # 98-422
Pennsylvania	File # A-310761
Rhode Island	Docket # 2262(y10)
South Carolina	Docket # 98-621-C
South Dakota	Docket #TC98-190
Tennessee	Case #99-00239
Texas	n/a
Utah	n/a
Vermont	CPG # 453
Virginia	n/a
Washington	Docket # UT-981614
West Virginia	Case # 98-1423-T-CN
Wisconsin	Utility I.D. # 7349
Wyoming	Docket # 74364-TX-98-1
FCC 214	ITC-214-19981019-00723
FCC 1	n/a

ENHANCED COMMUNICATIONS NETWORK, INC. / PACIFIC TELECOM, INC.  
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**EXHIBIT C**

**Pacific Telecom Inc.  
Financial Statement**

**PACIFIC TELECOM INC.**

**BALANCE SHEET**  
**September 30, 2001**

**ASSETS**

**CURRENT ASSETS**

Cash in banks  
Notes receivable

\$	4,500.00
	8,000.00
	<u>12,500.00</u>

**OTHER ASSETS**

Investment in ECN

	45,000.00
	<u>45,000.00</u>
\$	<u>57,500.00</u>

**LIABILITIES AND SHAREHOLDER'S EQUITY**

**LONG-TERM LIABILITIES**

Loan from shareholders

	4,967.00
	<u>4,967.00</u>

**SHAREHOLDER'S EQUITY**

Capital  
Current earnings

	53,000.00
	(467.00)
	<u>52,533.00</u>
\$	<u>57,500.00</u>

**PACIFIC TELECOM INC.**

**STATEMENT OF PROFIT & LOSS**

**For the month and year-to-date ending September 30, 2001**

	<u>YTD</u>
<b>OPERATING EXPENSES</b>	
License and fees	385.00
Postage	<u>82.00</u>
	<u>467.00</u>
 <b>NET PROFIT (LOSS)</b>	 <b>\$ <u>(467.00)</u></b>



ENHANCED COMMUNICATIONS NETWORK, INC. / PACIFIC TELECOM, INC.  
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**EXHIBIT D**

**Biographical Statement  
Management Personnel**

# RAYMOND CHAN

## BIOGRAPHY

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### EXPERIENCE

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2001 - present Pacific Telecom, Inc. Bensalem, PA

*President*

- Oversee marketing strategic to cater the trend of telecom industry
- Managing & leading company direction

1997 - present RC Consulting Group, LLC West Covina, CA

*Founder*

- New Project Development & Management Consultation
- Specialize International Finance & Insurance
- Implemented Private Asset Placement Programs

1972 - 1997 Capital Resource Network, Inc. West Covina, CA

*President*

- Direct overall Personal Financial Management Services for clientele
- Develop full range of Insurance Products, Financial Products for operation

### EDUCATION

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Californian State University of Los Angeles

LA, CA

- Finance & Marketing
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